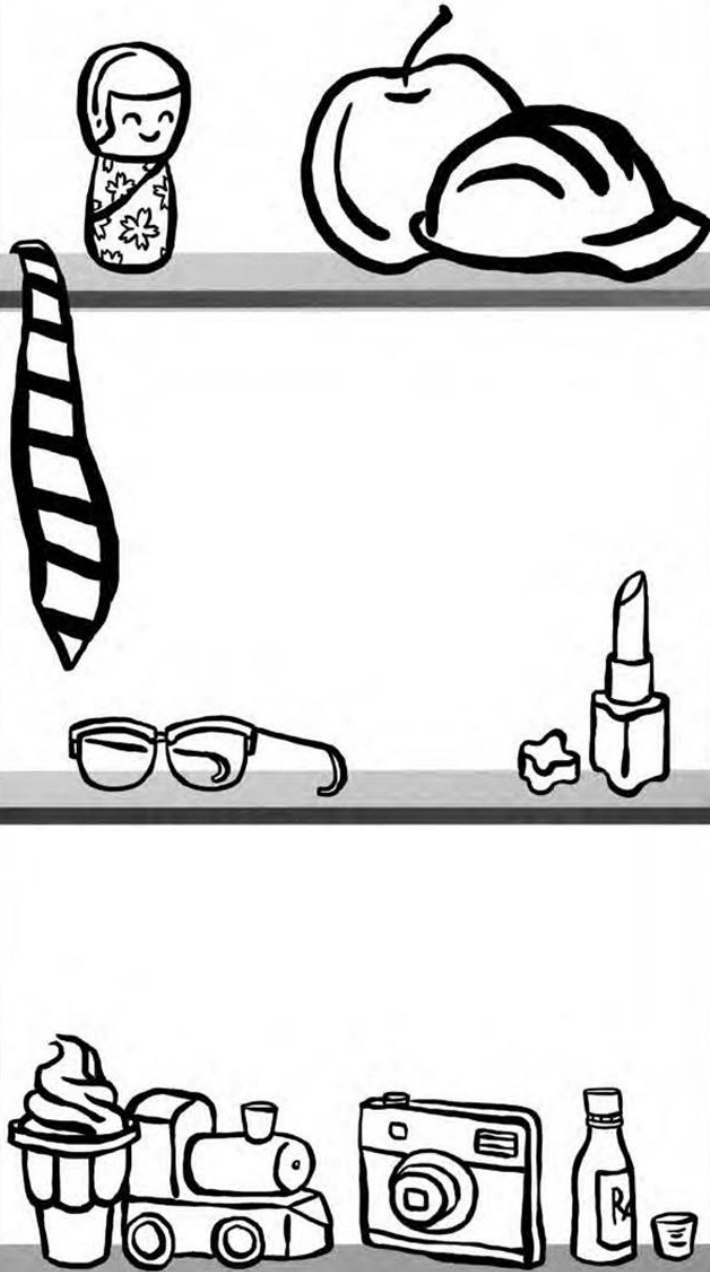


**ROBINSONS  
RETAIL**  
HOLDINGS, INC.

**2015  
AUDITED EARNINGS  
PRESENTATION**

*April 2016*

# Agenda



***Results Highlights***



***Store Network***



***Consolidated Results***



***Business Segments***



***Working Capital***



***Capital Expenditure***



***Recent Developments***



***Plans and Prospects***



# 2015 Audited Results Highlights



# Nationwide Presence

## Metro Manila

Business segment	# of stores
Supermarkets	40
Department stores	13
DIY stores	48
Convenience stores	330
Drug stores	80
Specialty stores	131
<b>Total</b>	<b>642</b>

## Visayas

Business segment	# of stores
Supermarkets	18
Department stores	7
DIY stores	35
Convenience stores	26
Drug stores	29
Specialty stores	37
<b>Total</b>	<b>152</b>

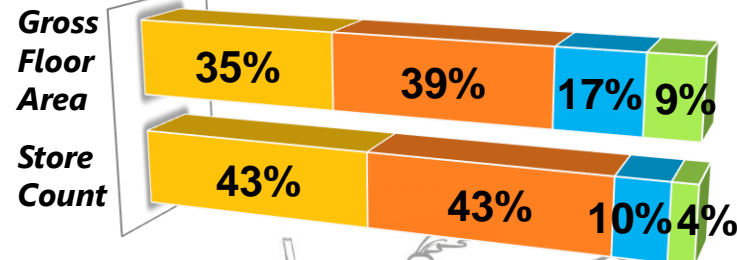
## Luzon<sup>1</sup>

Business segment	# of stores
Supermarkets	56
Department stores	17
DIY stores	68
Convenience stores	162
Drug stores	243
Specialty stores	99
<b>Total</b>	<b>645</b>

## Mindanao

Business segment	# of stores
Supermarkets	10
Department stores	5
DIY stores	15
Convenience stores	1
Drug stores	15
Specialty stores	21
<b>Total</b>	<b>67</b>

**1,506 stores**  
**Nationwide**  
 with gross floor area of  
**974,000 sqm**

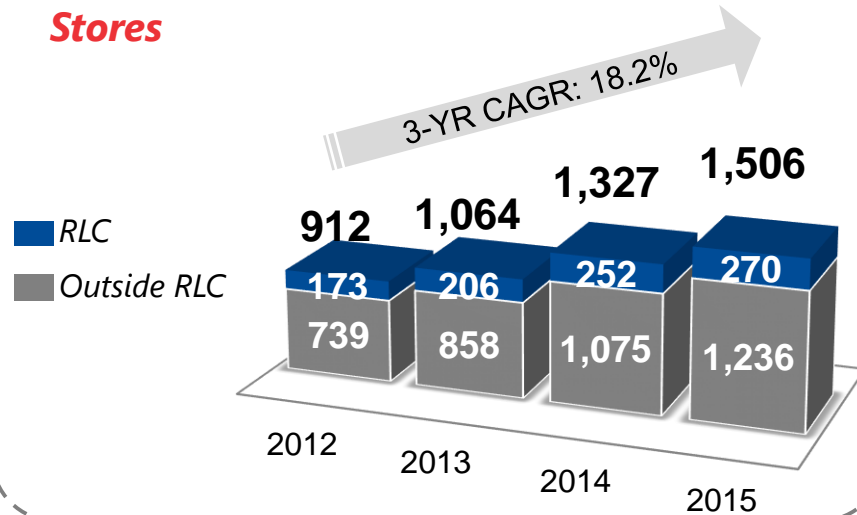


<sup>1</sup> Outside of Metro Manila  
 \* Figures as of December 2015

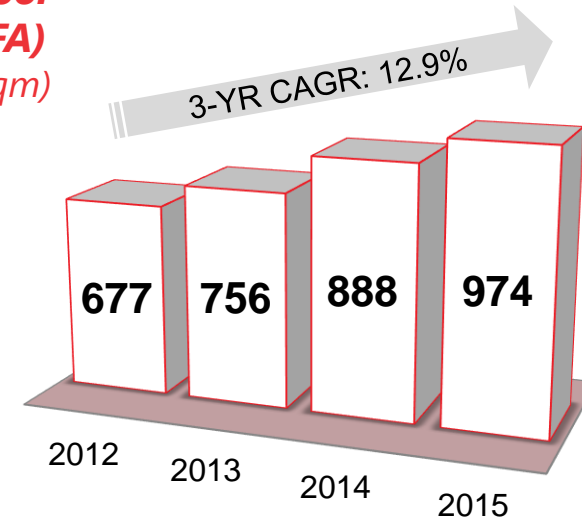
■ Metro Manila ■ Luzon ■ Visayas ■ Mindanao

# 2015 Stores and Gross Floor Area Statistics

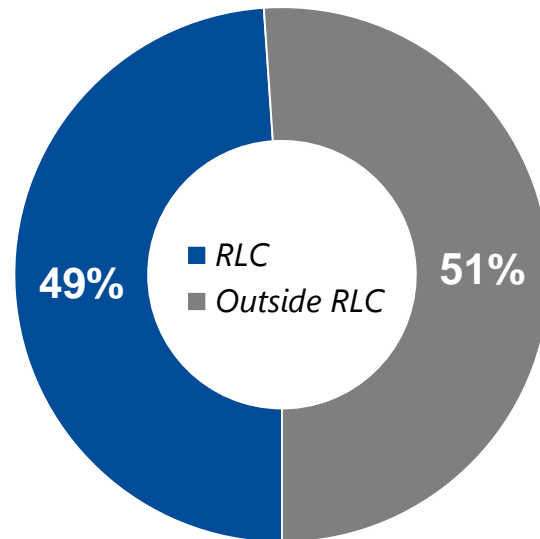
## Number of Stores



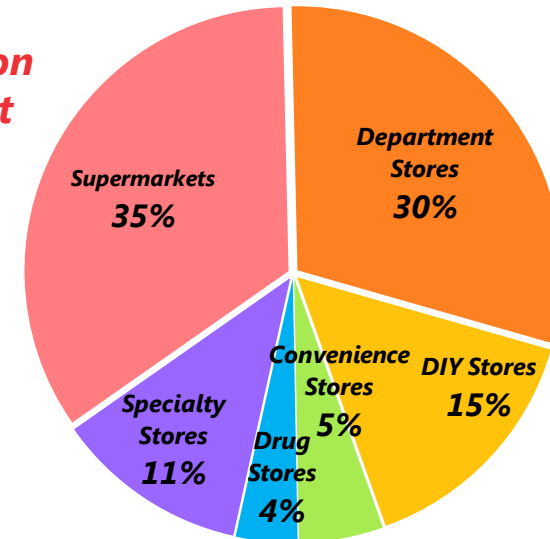
## Gross Floor Area (GFA) (in '000 sqm)



## GFA Contribution by Lessor (%)



## GFA Contribution by Segment (%)



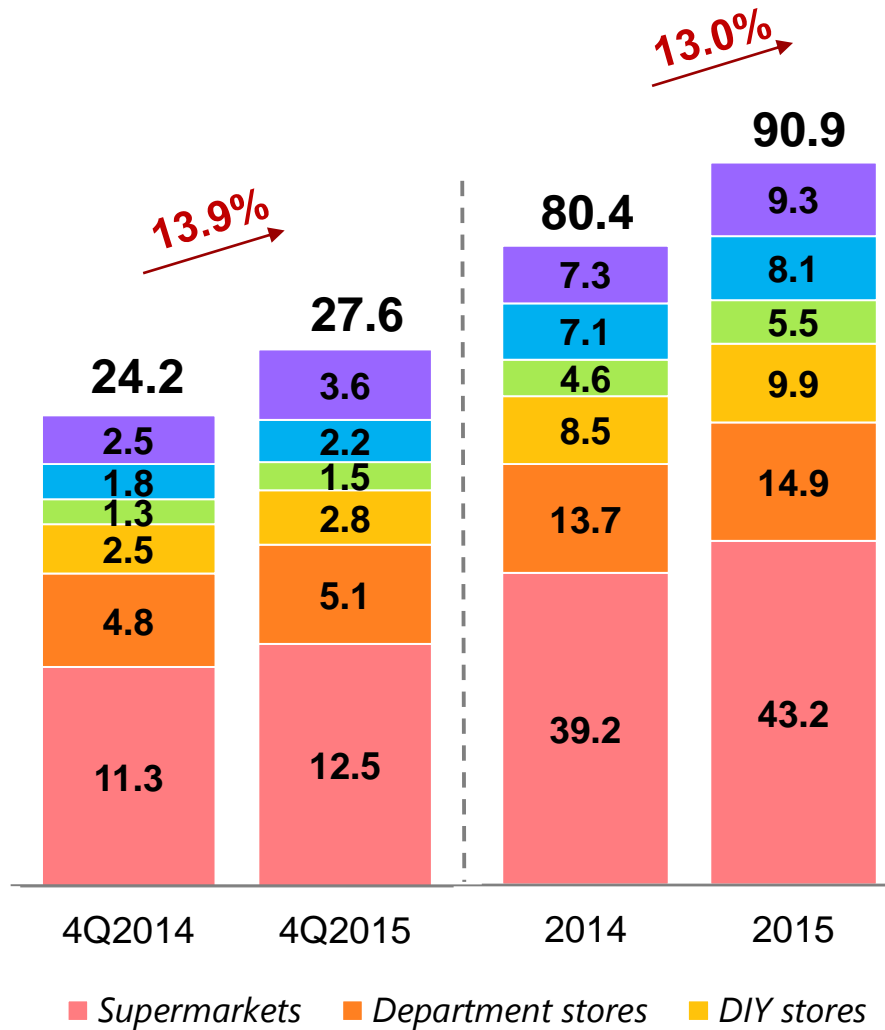
# Solid Relationship with Other Major Mall Developers

*We are one of the most sought-after retailers by leading mall developers in the country*

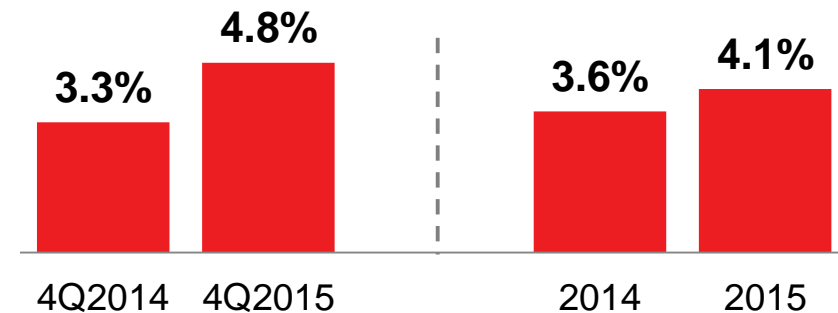


# Consolidated Results

## Net Sales<sup>1</sup> (₱ bn)



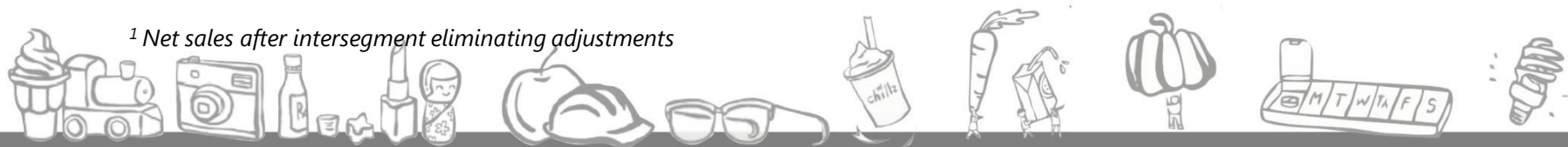
## SSSG (%)



❖ **13.0% yoy net sales growth in 2015:**

- 8.9% from new stores
- 4.1% from SSSG

<sup>1</sup> Net sales after intersegment eliminating adjustments

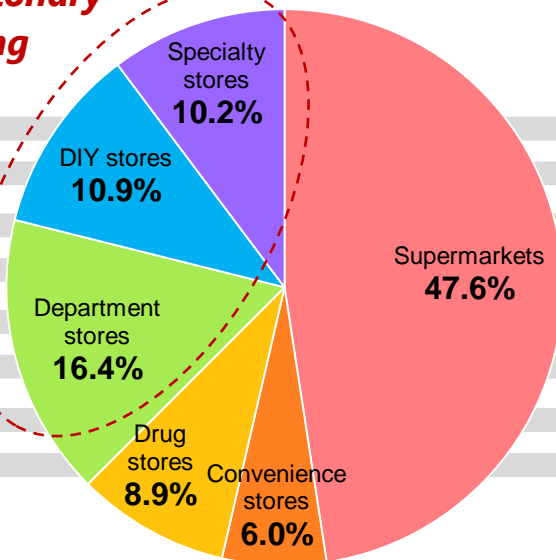


# 2015 Contribution Per Segment

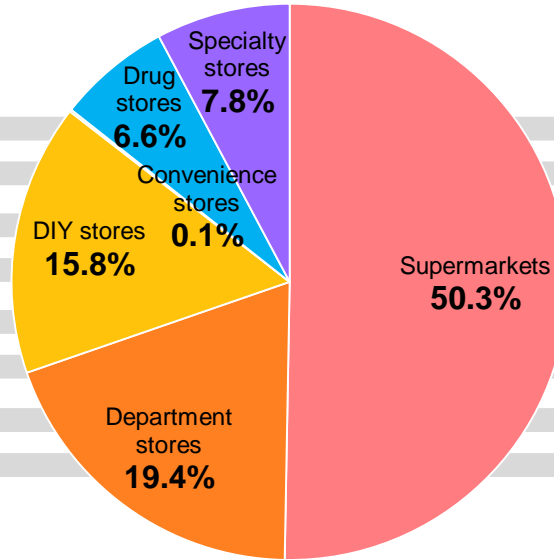


## Net Sales Breakdown

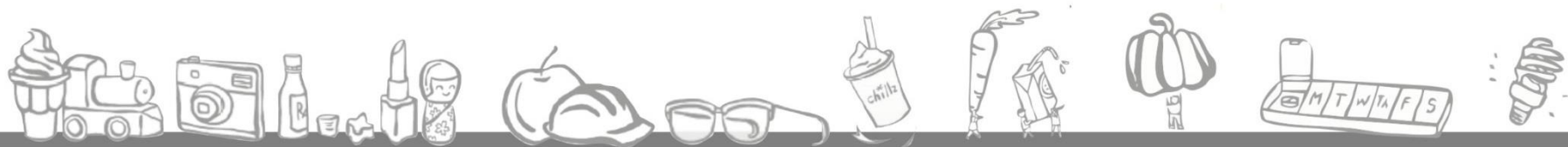
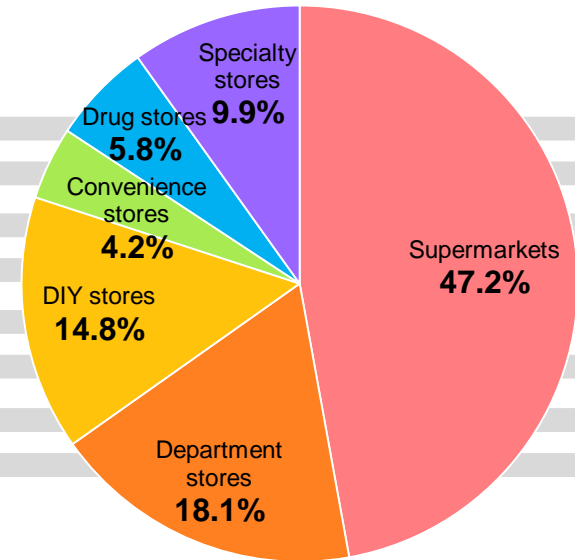
**Discretionary Retailing**  
**38%**



## EBIT Breakdown

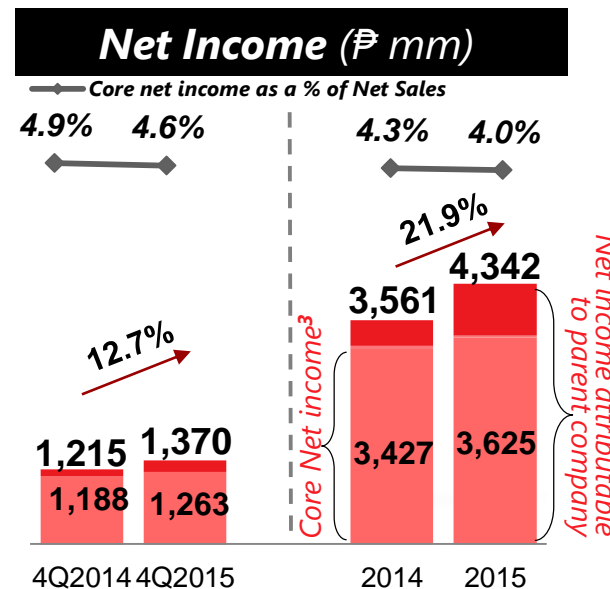
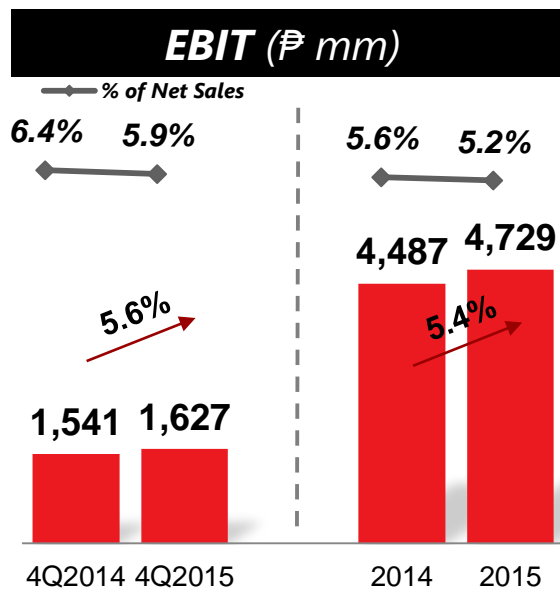
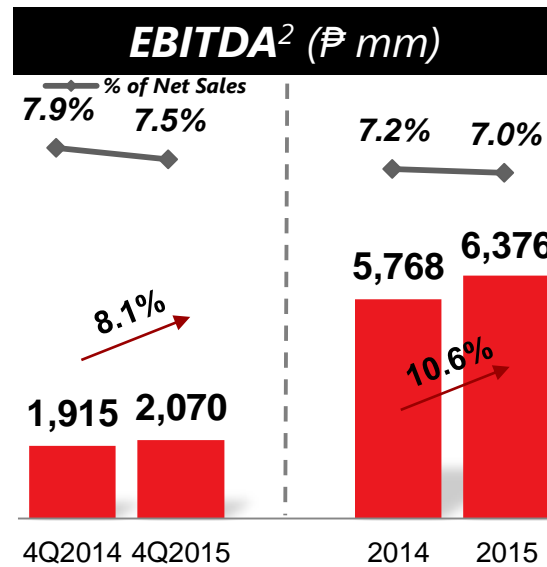
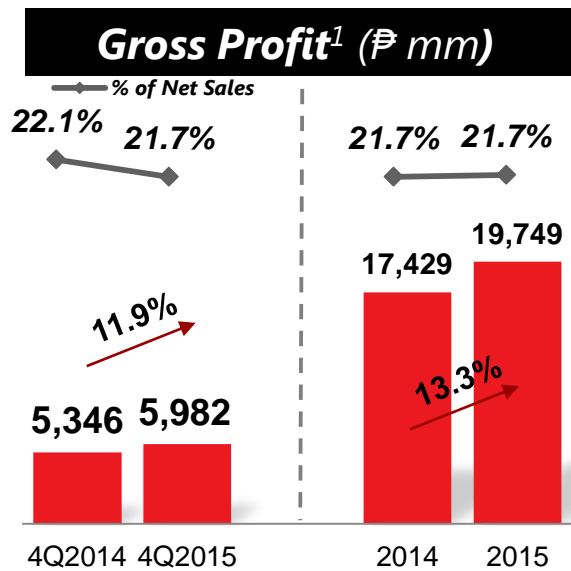


## EBITDA Breakdown





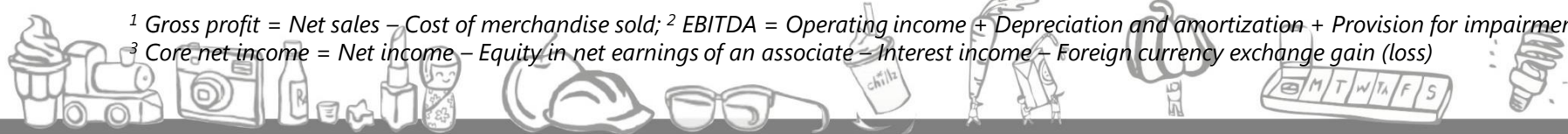
# Consolidated Results



❖ Net income attributable to equity holders of the parent company up by 21.9%

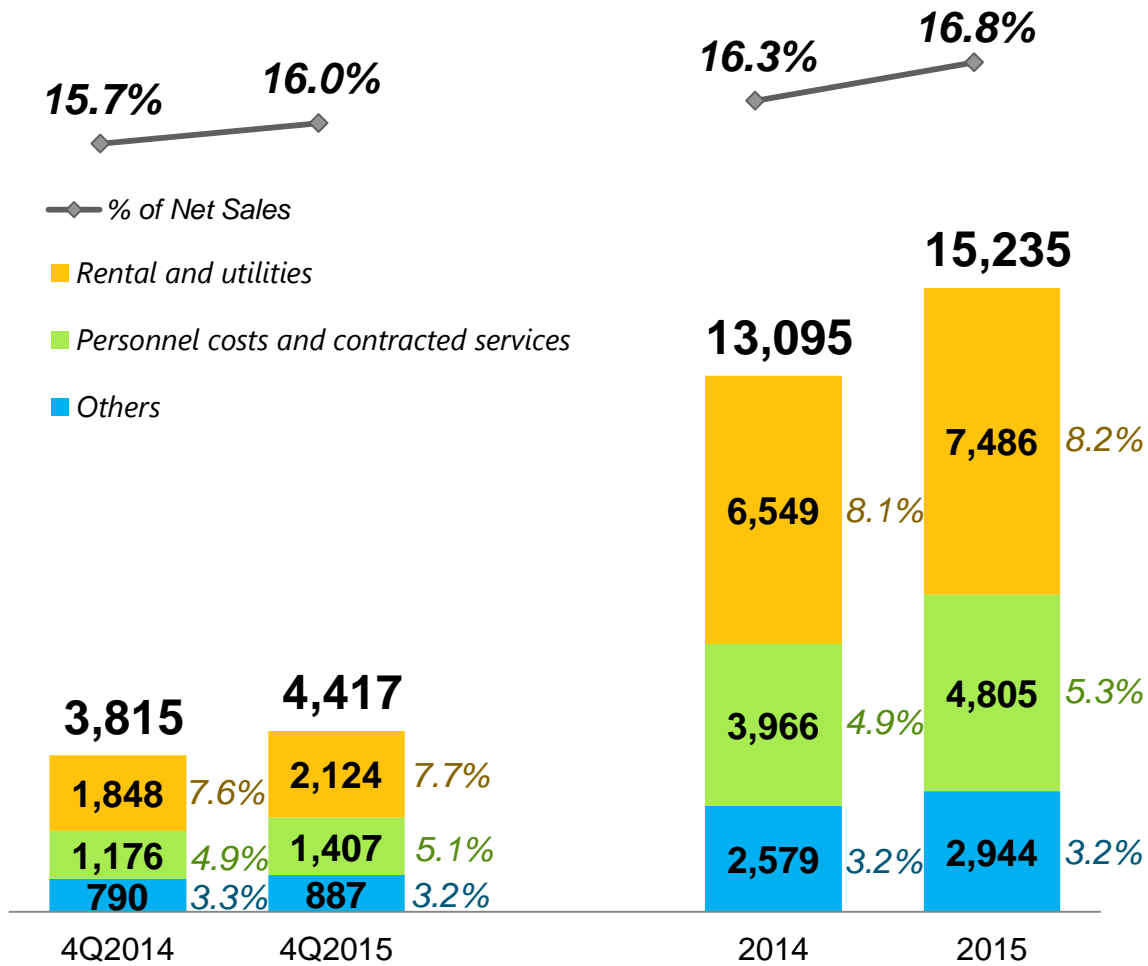
<sup>1</sup> Gross profit = Net sales – Cost of merchandise sold; <sup>2</sup> EBITDA = Operating income + Depreciation and amortization + Provision for impairment losses;

<sup>3</sup> Core net income = Net income – Equity in net earnings of an associate – Interest income – Foreign currency exchange gain (loss)



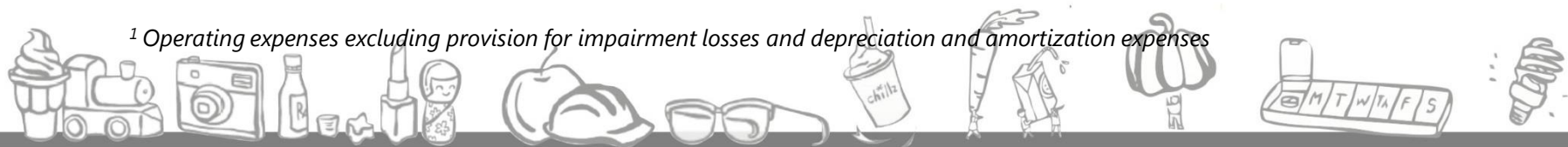
# Operating Expenses

## Adjusted Operating Expenses<sup>1</sup> (₹ mm, % of Net Sales)



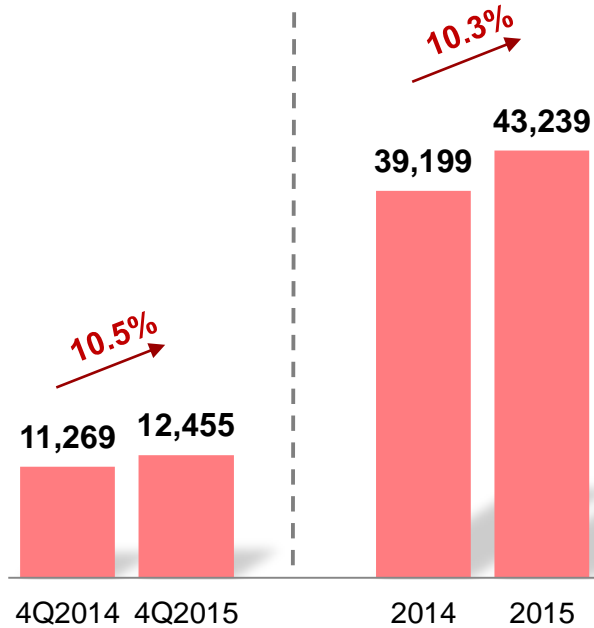
**■ Increase in OPEX**  
as % of net sales due to **new store openings** with sales still on the **ramp-up stage**

<sup>1</sup> Operating expenses excluding provision for impairment losses and depreciation and amortization expenses

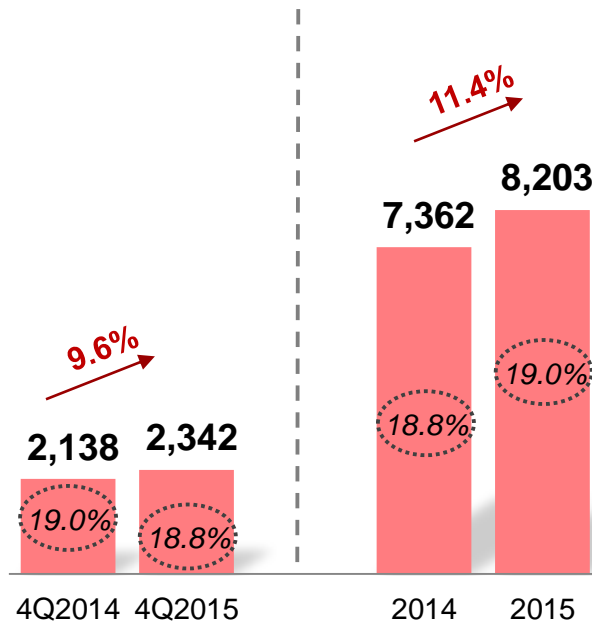


# Supermarket Business Segment

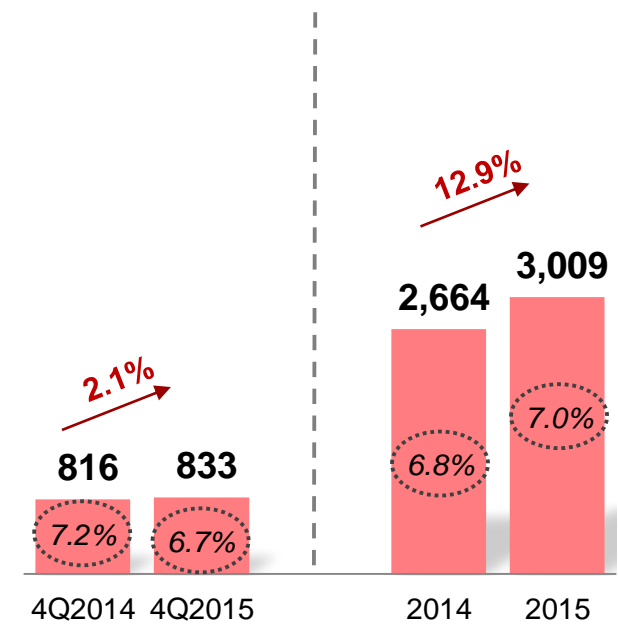
**Net Sales (₱ mm)**



**Gross Profit (₱ mm)**



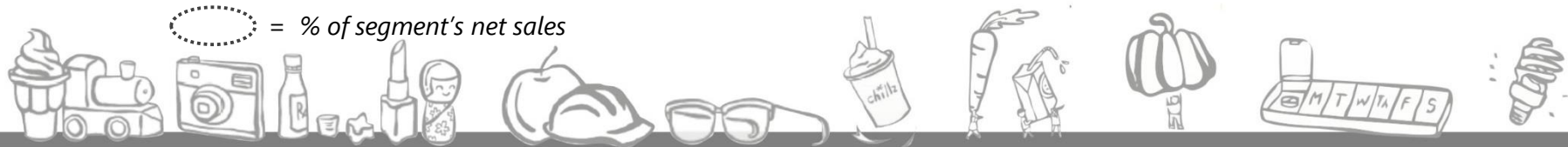
**EBITDA (₱ mm)**



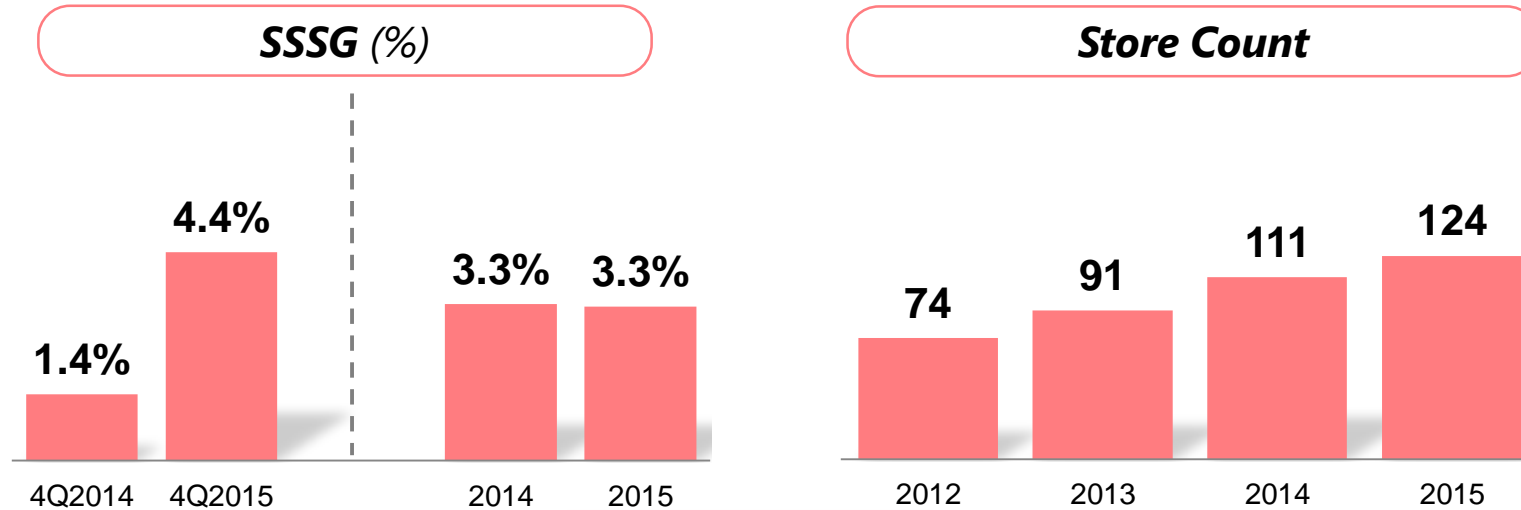
❖ Increase in sales in 2015 largely driven by **new store additions** (7.0%) and **strong SSSG** (3.3%)



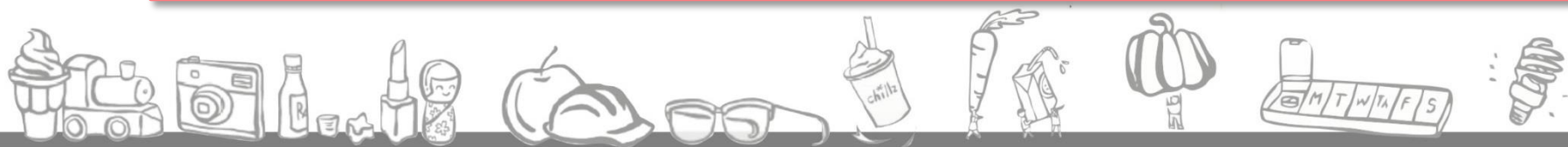
= % of segment's net sales



# Supermarket Business Segment

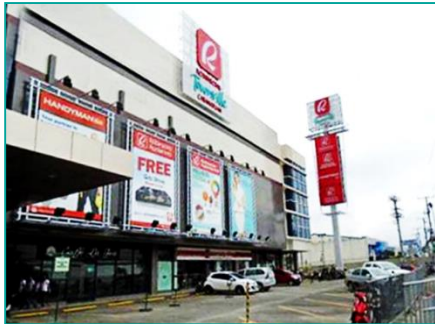


**❖ Robust 4Q SSSG due higher basket size**



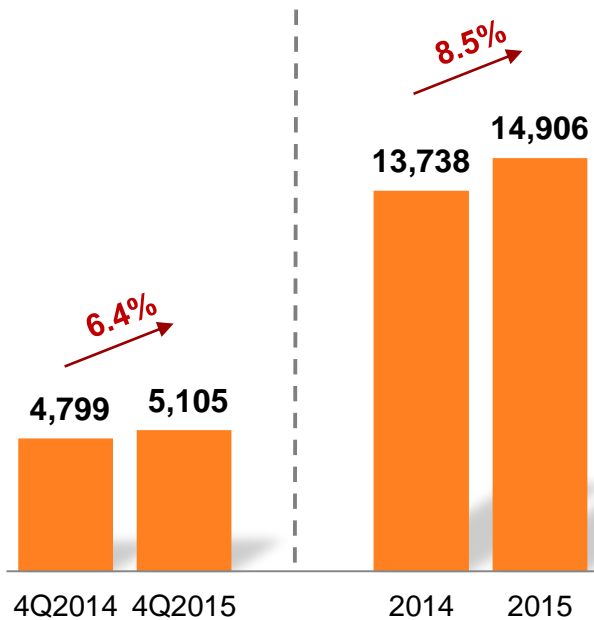
# Supermarket Business Segment – Robinsons Townville

RRHI is developing **community malls** branded as Robinsons Townville where Robinsons Supermarket serves as the main anchor tenant (10 malls as of March 2016)

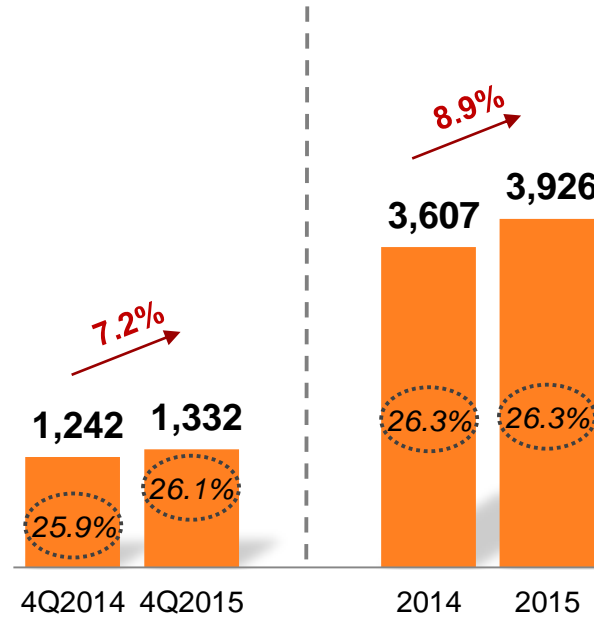


# Department Store Business Segment

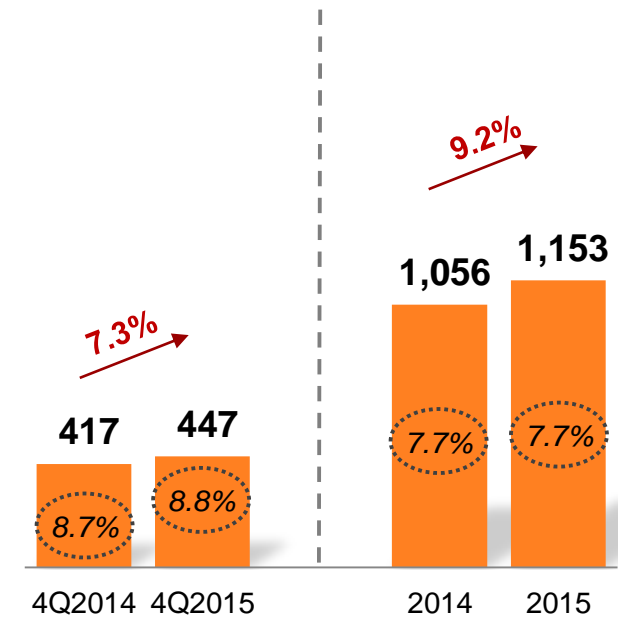
**Net Sales (₱ mm)**



**Gross Profit (₱ mm)**



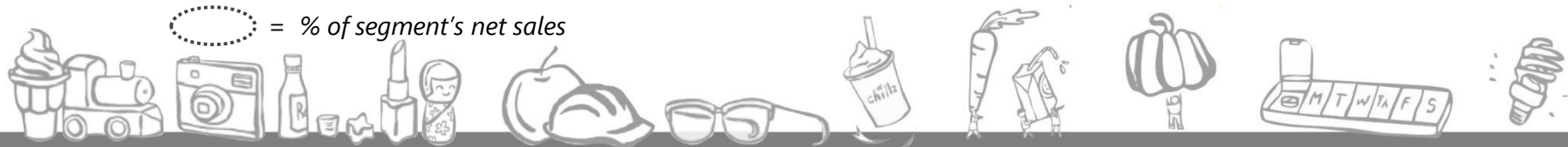
**EBITDA (₱ mm)**



❖ Increase in sales in 2015 driven by **robust SSSG** (5.5%) and **new store sales contribution** (3.0%)

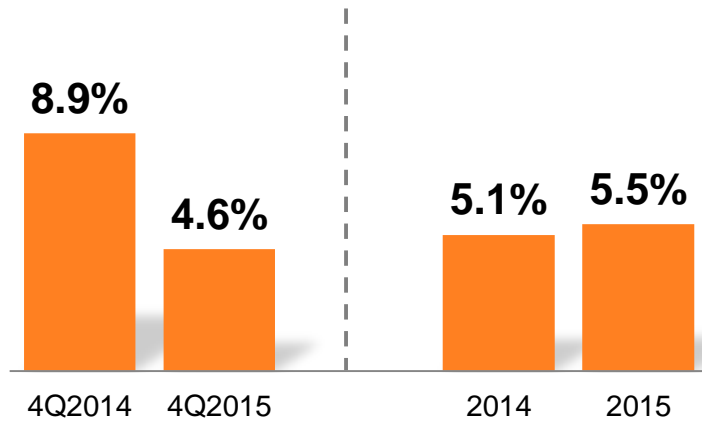


= % of segment's net sales

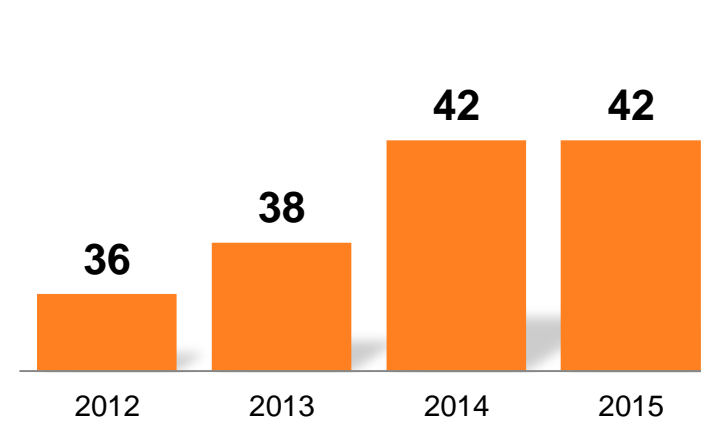


# Department Store Business Segment

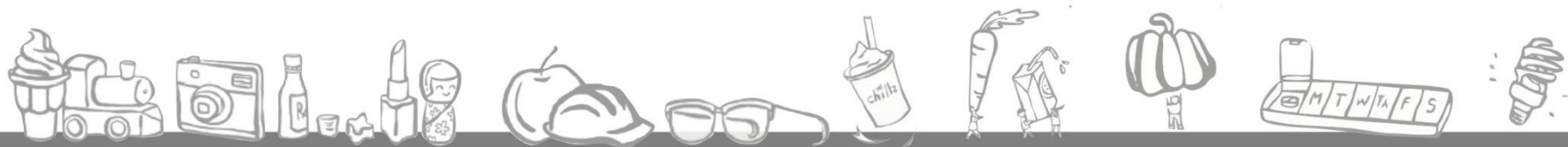
SSSG (%)



Store Count

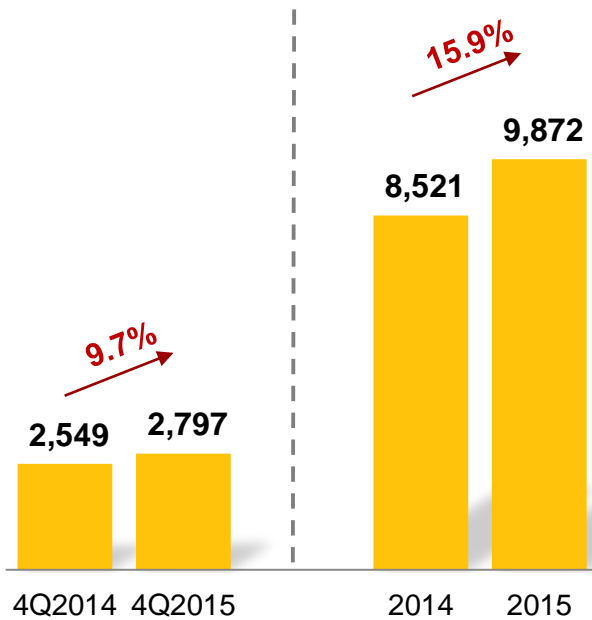


❖ **Robust SSSG**  
mainly due  
to higher  
basket size

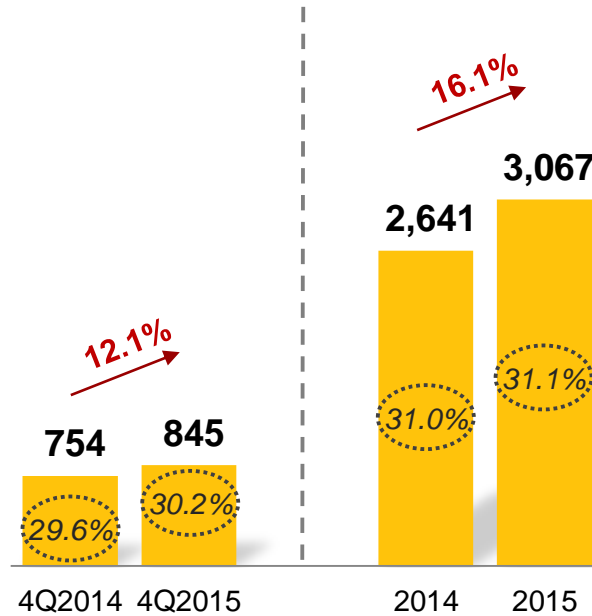


# DIY Store Business Segment

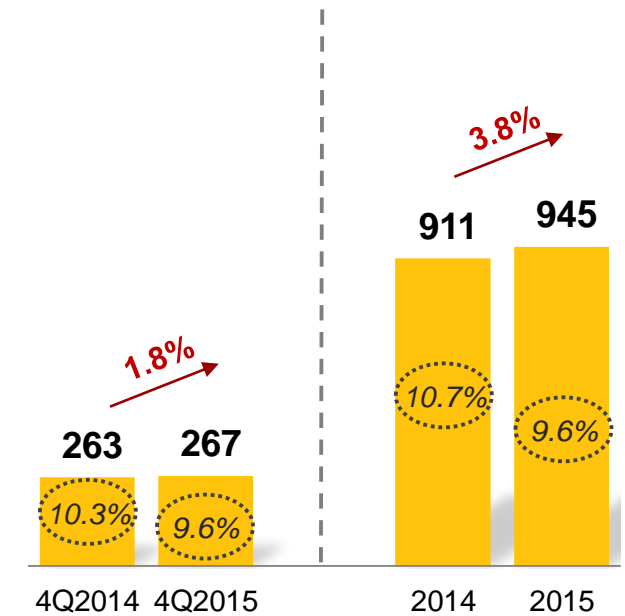
**Net Sales (₱ mm)**



**Gross Profit (₱ mm)**



**EBITDA (₱ mm)**



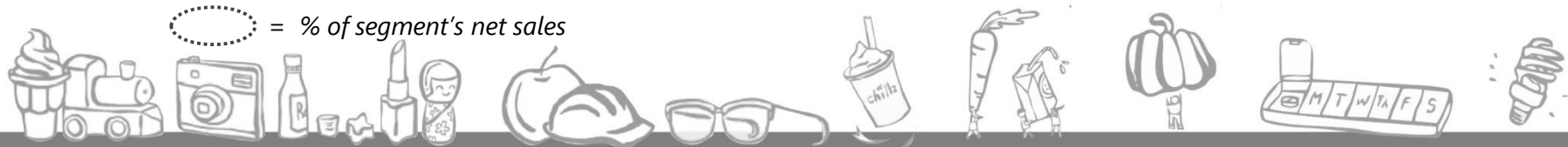
❖ Growth in net sales driven by **new store sales contribution** (10.9%) and **strong SSSG** (5.0%)

**HANDYMAN** True Value.

**Best**  
**ROBINSONS BUILDERS** TRUE HOME  
BY True Value.

**A.M. BUILDERS' DEPOT**

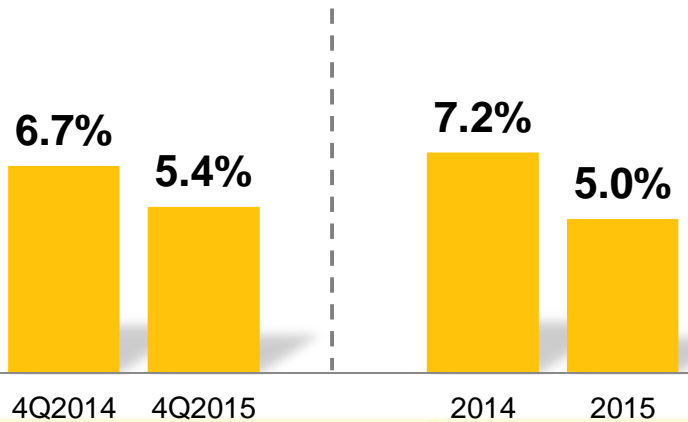
○ = % of segment's net sales



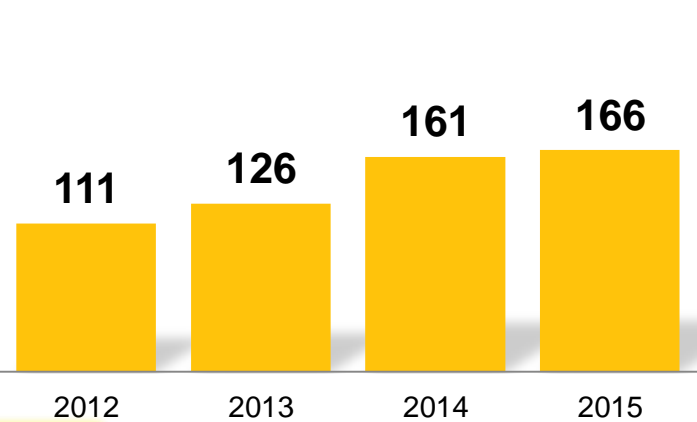


# DIY Store Business Segment

**SSSG (%)**



**Store Count**

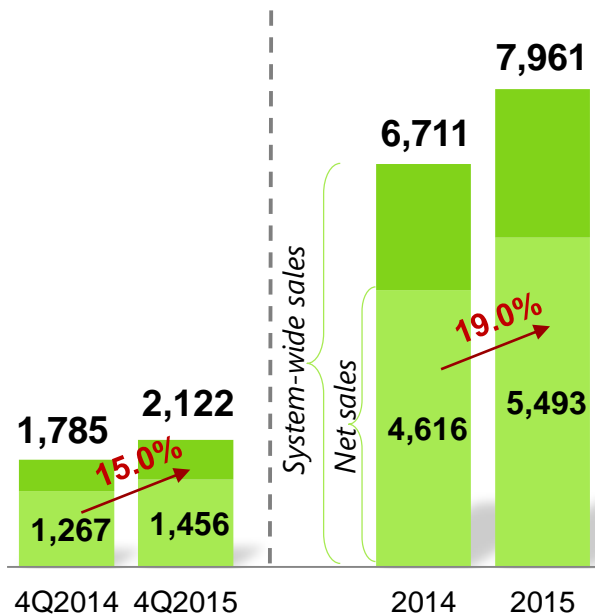


❖ **Healthy SSSG**  
*due to sustained strong residential construction activities*

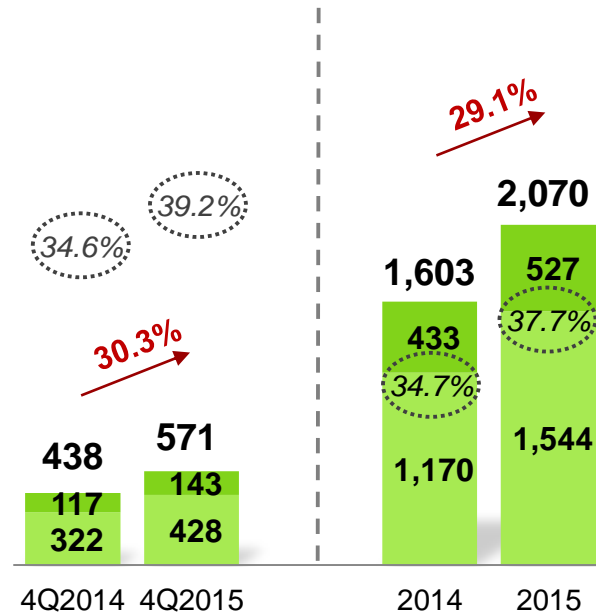


# Convenience Store Business Segment

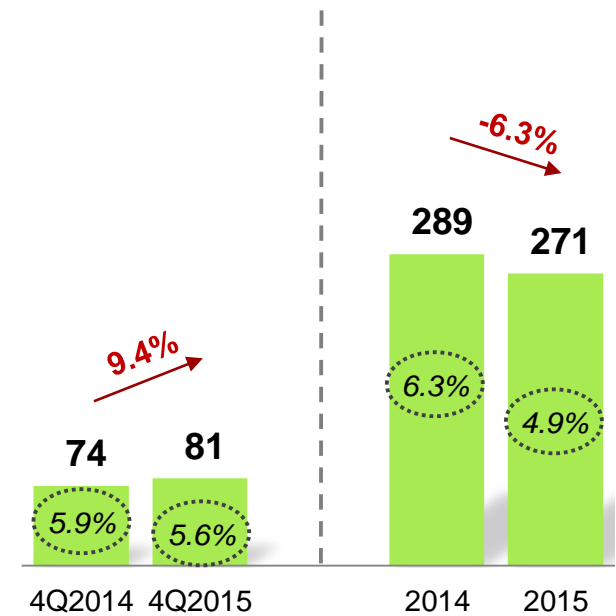
**System-wide Sales & Net Sales**  
(₱ mm)



**Gross Profit & Royalty Income**  
(₱ mm)



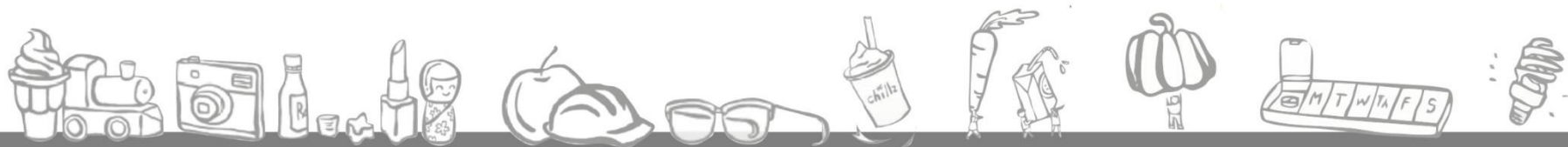
**EBITDA** (₱ mm)



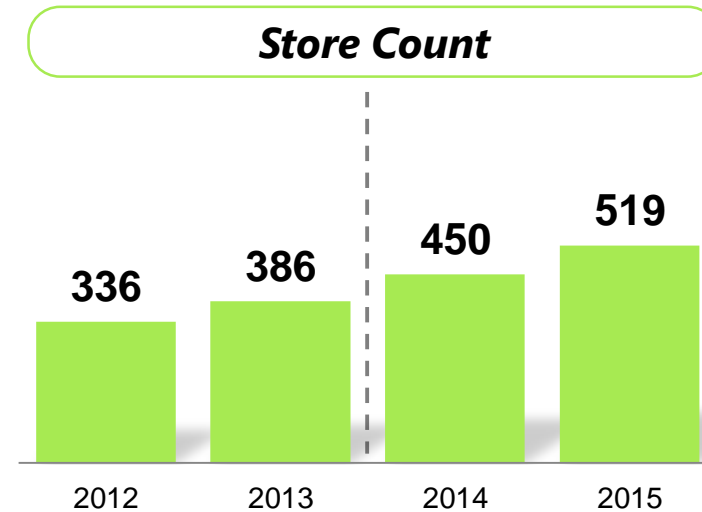
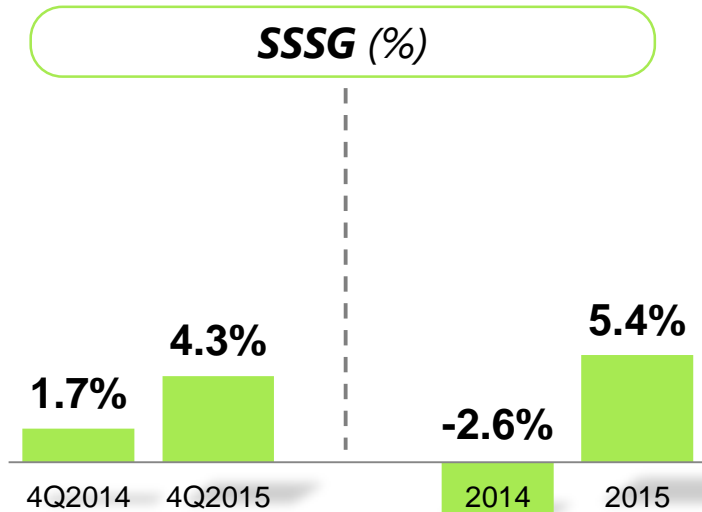
○ = GP + Royalty Income % of segment's net sales

○ = % of segment's net sales

❖ Increase in net sales driven by **new store openings** (13.6%) and **robust SSSG** (5.4%)



# Convenience Store Business Segment

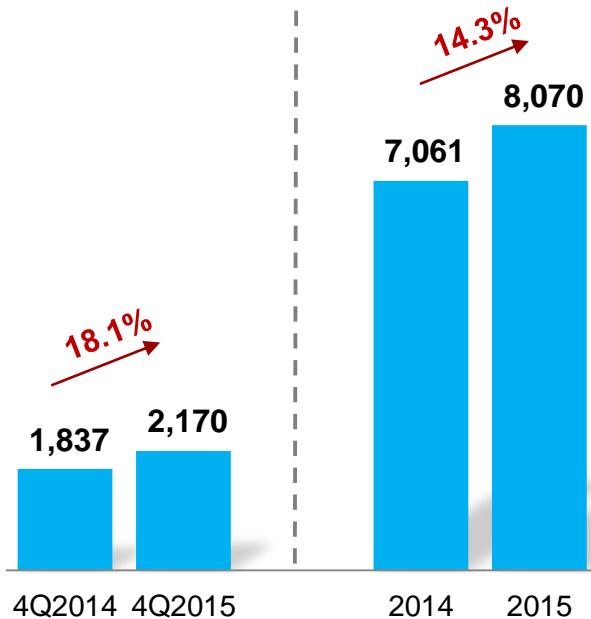


❖ **SSSG turned around** driven by the strong sales performance of ready-to-eat category

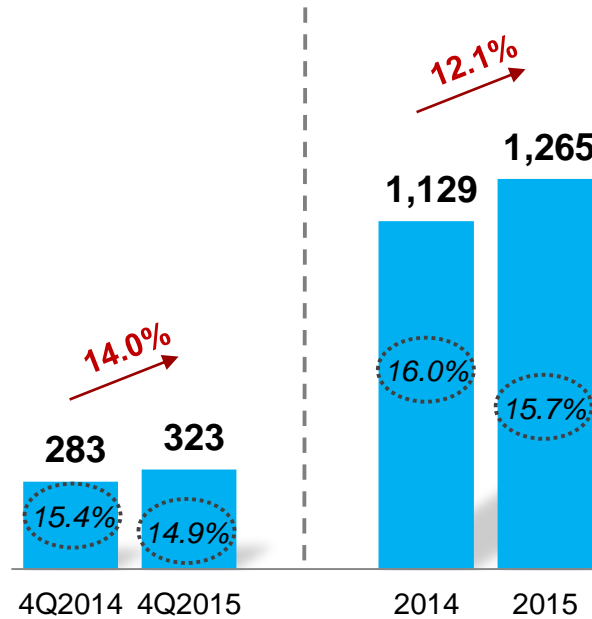


# Drug Store Business Segment

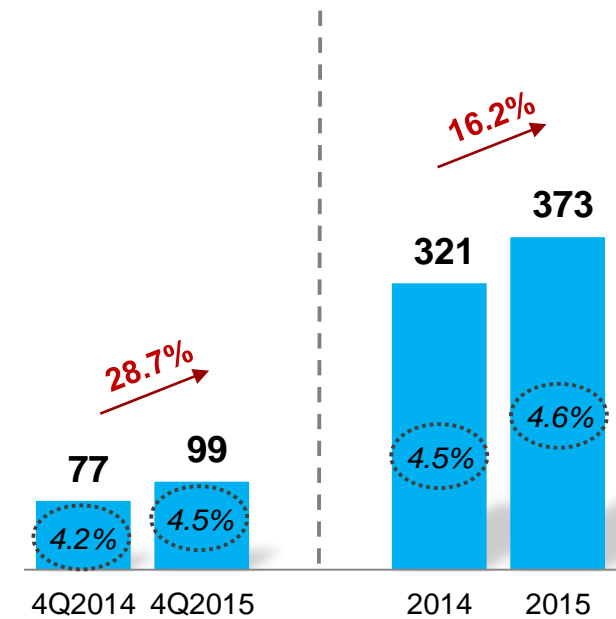
**Net Sales (₱ mm)**



**Gross Profit (₱ mm)**



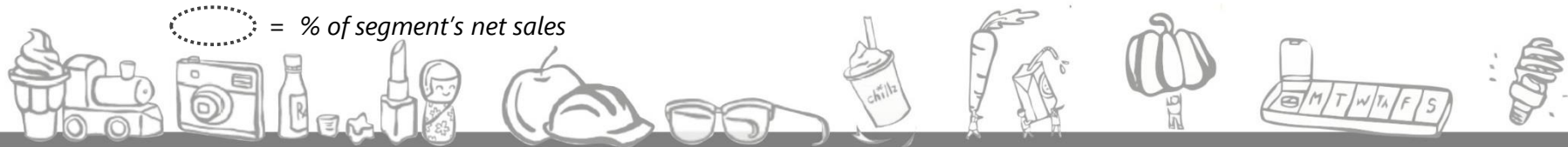
**EBITDA (₱ mm)**



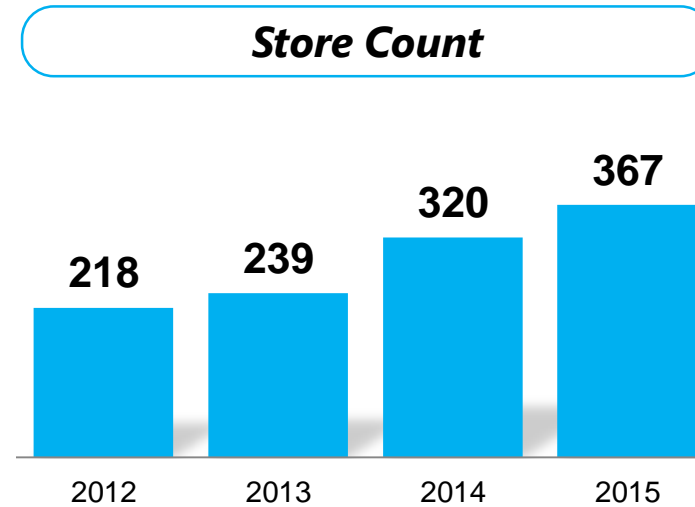
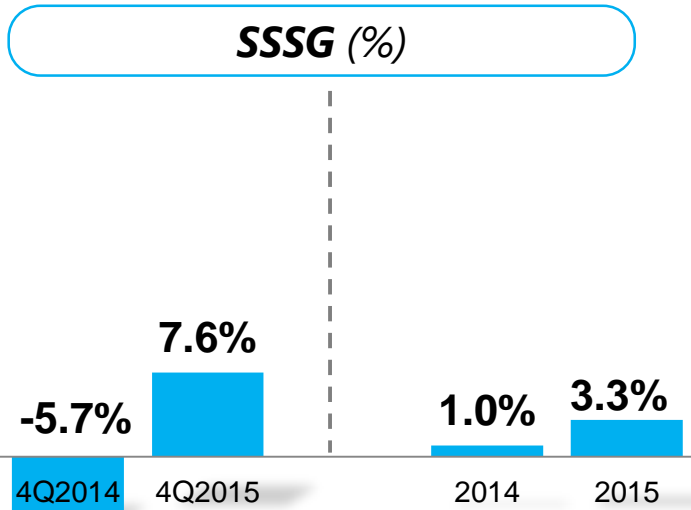
❖ Growth in sales propelled by the **sales contribution of new stores and recovery in SSSG**

**southstar drug<sup>+</sup>**  
**manson drug**

○ = % of segment's net sales



# Drug Store Business Segment

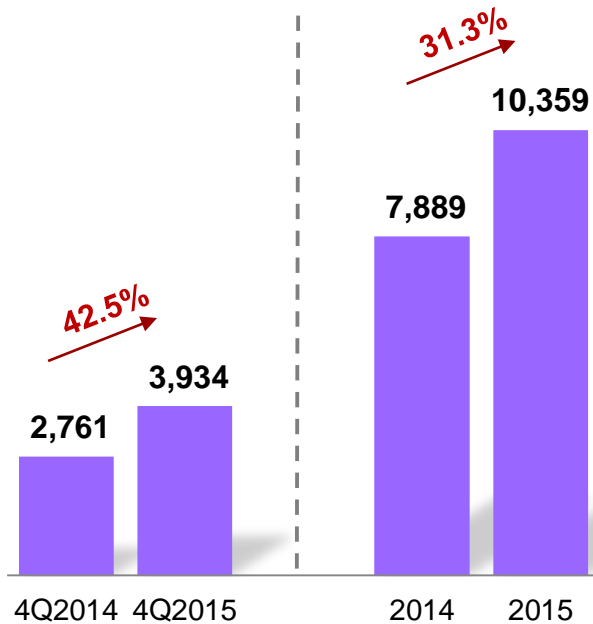


❖ **SSSG turned around** as sales from stores affected by typhoon LY improved

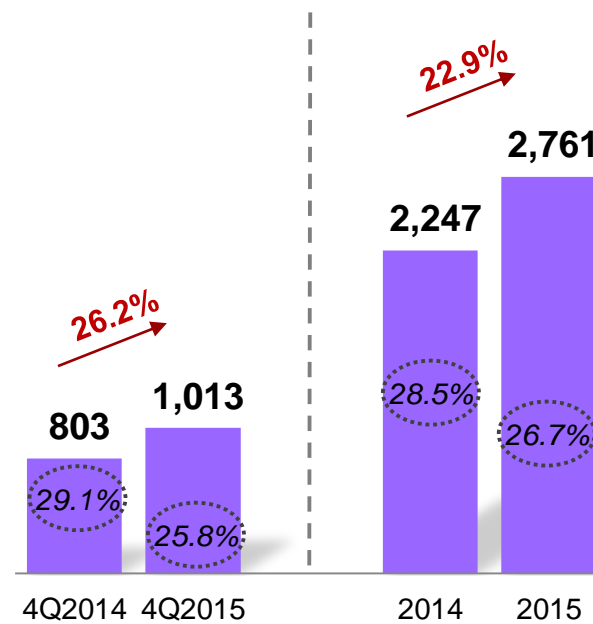


# Specialty Store Business Segment

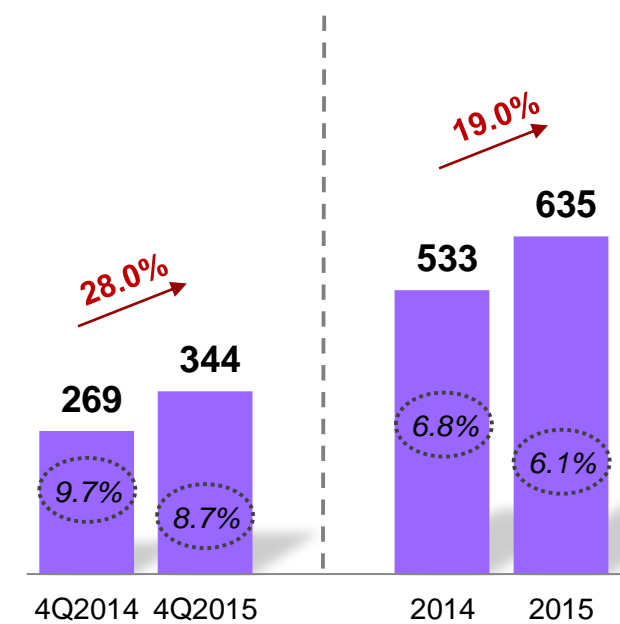
**Net Sales (₹ mm)**



**Gross Profit (₹ mm)**



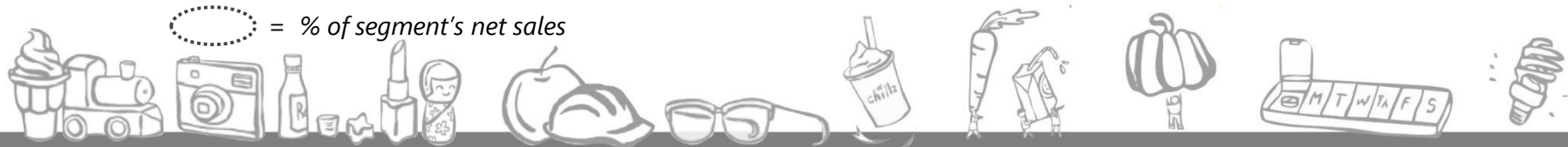
**EBITDA (₹ mm)**



❖ Growth in net sales driven by the **double-digit sales growth of all formats**

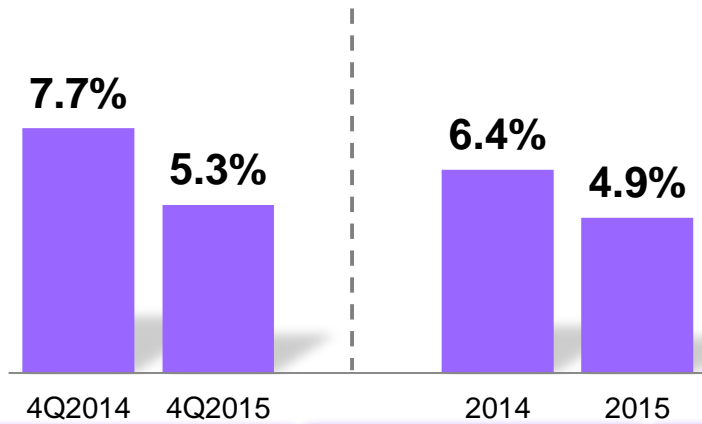


= % of segment's net sales

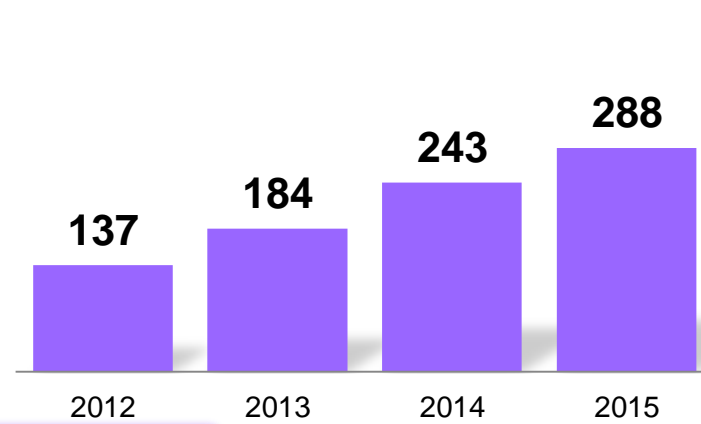


# Specialty Store Business Segment

**SSSG (%)**



**Store Count**

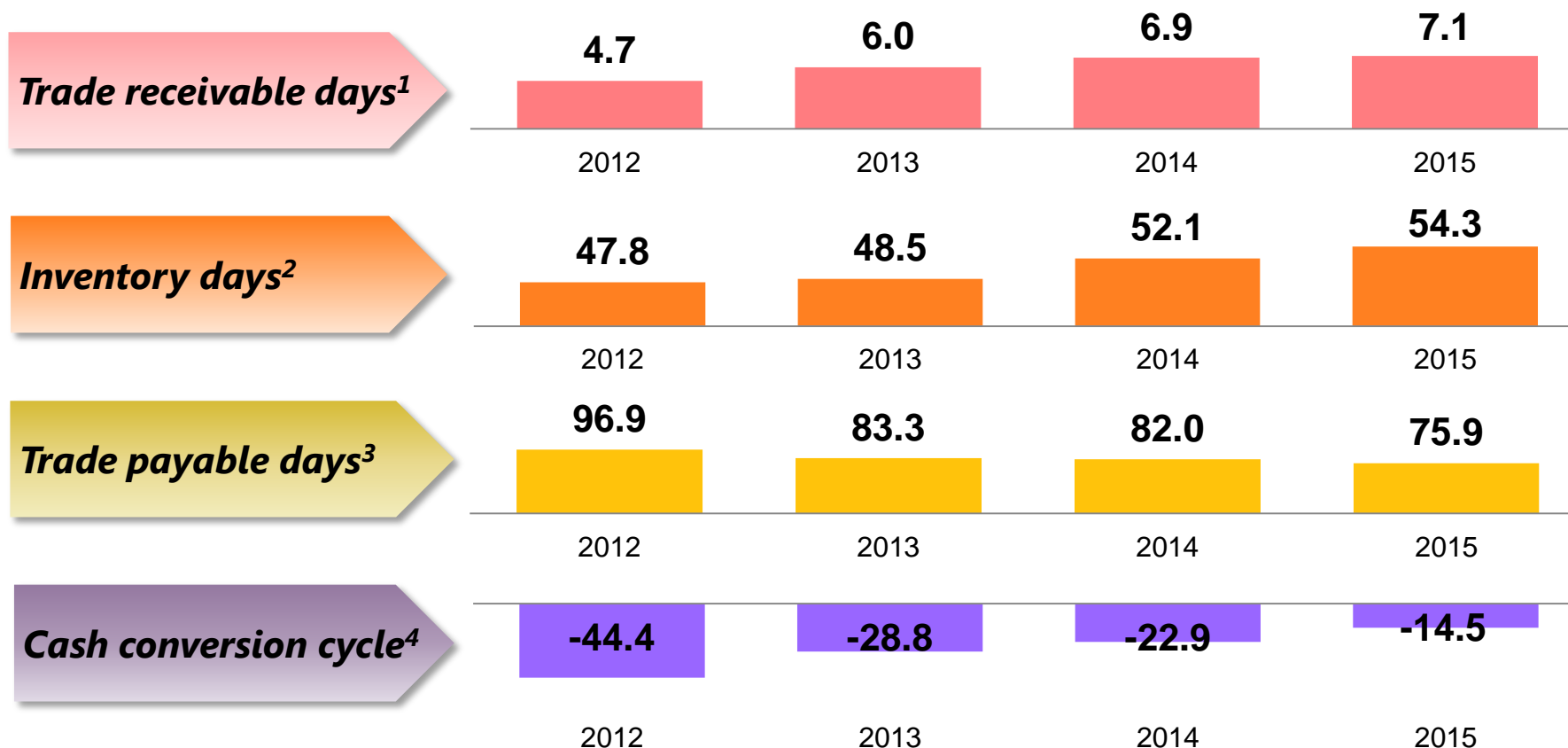


❖ **Strong SSSG** in due to robust SSSG of appliances, toys and Daiso Japan



# Working Capital

## Working capital days trend



❖ **Negative cash conversion cycle sustained in 2015**

<sup>1</sup> Trade receivable days = Number of days x Trade and other receivables / Net sales; <sup>2</sup> Inventory days = Number of days x Merchandise inventories / Cost of merchandise sold; <sup>3</sup> Trade payable days = Number of days x Trade and other payables / Cost of merchandise sold; <sup>4</sup> Cash conversion cycle = Trade receivable days + Inventory days – Trade payable days

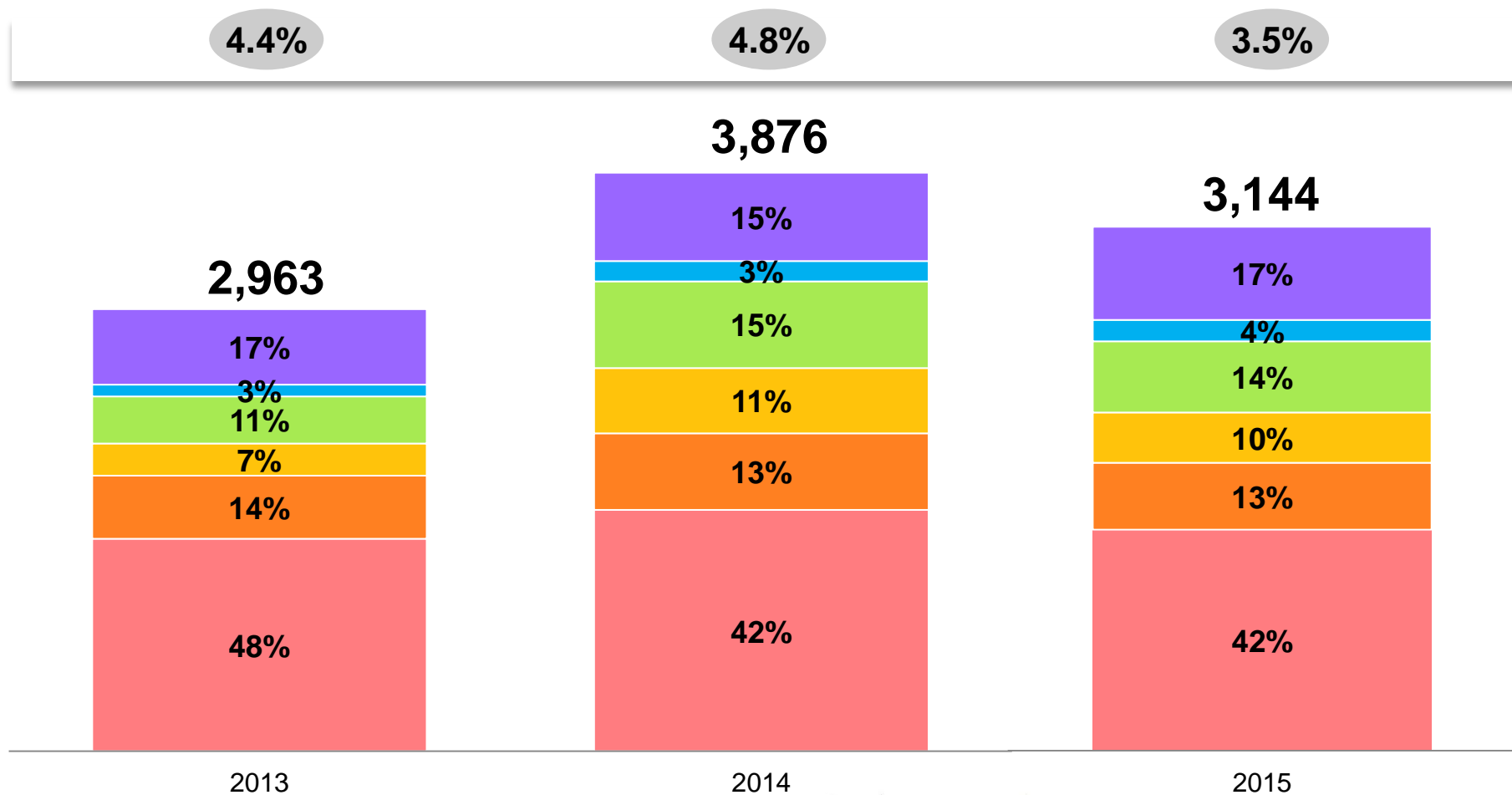


# Capital Expenditure

## Capital expenditure breakdown (P mm)<sup>1</sup>

■ Supermarkets ■ Department stores ■ DIY stores ■ Convenience stores ■ Drug stores ■ Specialty stores

% of group's net sales



<sup>1</sup> Capital expenditure includes expenses on leasehold improvements, store and furniture fixtures, office furniture and fixtures, transportation equipment, building and other equipment and computer equipment



# Robinsons Rewards Card



- ❖ *Allows users to collect points through purchases and redeem these points for shopping credits*
- ❖ *More than **1 million members** as of Dec 2015*
- ❖ *Supported by a **customer analytics solution** that can analyze customer profile and purchase*



## Plans and Prospects



**Organic gross expansion of 200+ new stores in 2016 with CAPEX of ₱5bn**



**GP margin increase of 10-20 bps**



**Same store sales growth of 2-3%**



**Mergers and acquisitions**



# Consolidated Statements of Financial Position (Audited)

PHP mm	December 31 2015	December 31 2014	December 31 2013
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	9,757	9,970	30,129
Short-term investments	7	1,853	342
Merchandise inventories	10,576	8,993	7,029
Other current assets	3,462	2,897	2,117
<b>Total Current Assets</b>	<b>23,802</b>	<b>23,712</b>	<b>39,617</b>
<b>Noncurrent assets</b>			
Available-for-sale (AFS) financial assets	19,511	17,718	—
Property and equipment - net	11,149	9,657	7,063
Investment in shares of stocks	5,079	1,990	1,803
Intangible assets	4,109	3,033	2,790
Other noncurrent assets	1,508	1,385	1,078
<b>Total Noncurrent Assets</b>	<b>41,357</b>	<b>33,784</b>	<b>12,734</b>
<b>Total Assets</b>	<b>65,160</b>	<b>57,496</b>	<b>52,351</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current Liabilities</b>			
Trade and other payables	14,796	14,139	12,075
Current portion of loans payable	2,845	56	396
Other current liabilities	885	828	904
<b>Total Current Liabilities</b>	<b>18,526</b>	<b>15,022</b>	<b>13,375</b>
<b>Noncurrent Liabilities</b>			
Loans payable - net of current portion	—	56	112
Others	1,129	1,180	881
<b>Total Noncurrent Liabilities</b>	<b>1,129</b>	<b>1,237</b>	<b>993</b>
<b>Total Liabilities</b>	<b>19,654</b>	<b>16,259</b>	<b>14,368</b>
<b>Equity</b>			
Capital stock	1,385	1,385	1,385
Additional paid-in capital	27,227	27,227	27,027
Equity reserve	(1,027)	(992)	116
Retained earnings	15,687	12,052	9,051
Others	252	(24)	(1,072)
<b>Total equity attributable to equity holders of Parent Company</b>	<b>43,524</b>	<b>39,648</b>	<b>36,507</b>
Non-controlling interest in consolidated subsidiaries	1,982	1,589	1,476
<b>Total Equity</b>	<b>45,505</b>	<b>41,237</b>	<b>37,983</b>
<b>Total Liabilities and Equity</b>	<b>65,160</b>	<b>57,496</b>	<b>52,351</b>



# Consolidated Statements of Comprehensive Income (Audited)

PHP mm	Years Ended December 31		
	2015	2014	2013
Sales - net of sales discounts and returns	90,883	80,401	67,254
Cost of merchandise sold	71,134	62,972	52,942
<b>Gross Profit</b>	<b>19,749</b>	<b>17,429</b>	<b>14,312</b>
Royalty, rent and other revenues	1,863	1,433	1,321
Gross profit including other revenue	<b>21,612</b>	<b>18,862</b>	<b>15,633</b>
Operating expenses	(16,883)	(14,375)	(11,569)
<b>Earnings before interest and taxes</b>	<b>4,729</b>	<b>4,487</b>	<b>4,064</b>
<b>OTHER INCOME (CHARGES)</b>			
Interest income	799	634	113
Foreign currency exchange gain (losses) - net	184	25	25
Dividend income	112	28	3
Equity in net earnings of an associate	40	57	191
Interest expense	(15)	(12)	(77)
	<b>1,119</b>	<b>732</b>	<b>255</b>
<b>INCOME BEFORE INCOME TAX</b>	<b>5,848</b>	<b>5,219</b>	<b>4,319</b>
Provision for income tax	1,271	1,286	1,202
<b>NET INCOME</b>	<b>4,577</b>	<b>3,933</b>	<b>3,117</b>
<b>Net income attributable to:</b>			
Equity holders of the Parent Company	4,342	3,561	2,745
Non-controlling interest in consolidated subsidiaries	235	372	372
	<b>4,577</b>	<b>3,933</b>	<b>3,117</b>
<b>Earnings Per Share</b>			
Basic	3.13	2.60	3.79
Weighted	3.13	2.60	3.79
<b>Shares Outstanding</b>			
End of Period	1,385	1,385	1,366
Weighted	1,385	1,367	724



# Consolidated Statements of Cash Flows (Audited)

PHP mm	Years Ended December 31		
	2015	2014	2013
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Income before income tax	5,848	5,219	4,319
<b>Adjustments for:</b>			
Depreciation and amortization	1,647	1,280	1,000
Interest expense	15	12	77
Equity in net earnings of an associate	(40)	(57)	(191)
Dividend income	(112)	(28)	(3)
Interest income	(799)	(634)	(113)
Others	(184)	(25)	(25)
<b>Operating income before working capital changes</b>	<b>6,376</b>	<b>5,767</b>	<b>5,063</b>
Working capital changes	(1,366)	(502)	(1,735)
Interest received	707	503	56
Income tax paid	(1,268)	(1,385)	(638)
<b>Net cash flows generated from (used in) operations</b>	<b>4,449</b>	<b>4,384</b>	<b>2,747</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investment in associate	(3,155)	—	—
AFS investments - net	(1,359)	(17,704)	50
Property and equipment - net	(3,099)	(3,696)	(2,754)
Others	779	(3,566)	(625)
<b>Net cash flows used in investing activities</b>	<b>(6,835)</b>	<b>(24,966)</b>	<b>(3,329)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Availment of loans	2,939	—	100
Dividends paid	(729)	(561)	(3)
Payment of loans	(206)	(396)	(2,121)
Interest paid	(16)	(12)	(72)
Proceeds from sale of treasury shares, net of transaction cost	—	1,301	—
Proceeds from stock issuance	—	—	28,601
Acquisition of treasury shares	—	—	(1,100)
Others	183	91	(745)
<b>Net cash flows used in financing activities</b>	<b>2,172</b>	<b>422</b>	<b>24,660</b>
Net increase (decrease) in cash and cash equivalents	(213)	(20,159)	24,077
Cash and cash equivalents at beginning of year	9,970	30,129	6,052
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>9,757</b>	<b>9,970</b>	<b>30,129</b>

